



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining

MICHAEL R. STYLER
Executive Director

JOHN R. BAZA
Division Director

Addendum to Small Mine Reclamation Contract
Addendum Number 1

Shawn Nay (aka) DJN Rockwalls, Unpermitted Mine, M/049/056

October 3, 2006

Mr. Shawn Nay
6078 West 13360 South
Herriman, Utah 84065

All reclamation work associated with this disturbed area has been completed with the exception of revegetation. The area of disturbance is outside of a permitted mine site, however, the Operator does not seek to continue with mining operations so has performed reclamation work within the area disturbed. As a result of the cessation of mining operations, this site remains unpermitted. Because vegetation accomplishment requires least 70 percent of the premining vegetative ground cover and the survival of the vegetation for three growing seasons, the reclamation surety and contract are required during this interim. Due to these situational circumstances, the following terms and conditions are incorporated into the Reclamation Contract:

1. The Division has determined that the Operator has commenced mining operations without an approved Notice of Intention as required by the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (2005, as amended) (hereinafter referred to as "Act") and the regulations adopted pursuant to the Act. However, the state of mining operations has ceased, and reclamation work has been completed with the exception of revegetation.
2. Operator is obligated in accordance with the Act and the regulations to reclaim the land that has been affected by operations prior to this contract, and that may be affected by the mining operations.
3. Operator and the Division have reached an understanding wherein the Operator has provided an adequate surety (ATTACHMENT A) in an amount determined to be sufficient to cover revegetation of a four acre area located on the Timberline Rockpit LLC unpermitted area as described on the attached map titled DJM Unpermitted Reclamation Map (ATTACHMENT B).
4. Operator will implement safe reclamation practices that include:
 - Keep the mining operation in a safe, clean, and environmentally stable condition.
 - Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.
 - Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged in the subsurface to prevent aquifer contamination.
 - Construct berms, fences, or barriers, when needed, above highwalls and excavations.
 - Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations.
 - Remove all waste or debris from stream channels.

- Dispose of any trash, scrap metal, wood, machinery, and buildings.
- Conduct mining activities so as to minimize erosion and control sediment.
- Reclaim all roads that are not part of a permanent transportation system.
- Stockpile topsoil and suitable overburden prior to mining.
- Stabilize highwalls by backfilling or rounding to 45 degrees or less, where feasible; reshape the land to near its original contour, and redistribute the topsoil and suitable overburden.
- Properly prepare seedbed to a depth of six inches by pocking, ripping, discing, or harrowing. Leave the surface rough.


Nothing herein contained shall vary, alter, or extend any provision or condition of the Reclamation Contract.

To the extent any conflict exists between this addendum and the Reclamation Contract, these terms shall control.

Please acknowledge with your signature, make a copy and return this letter with original signatures to the Division.

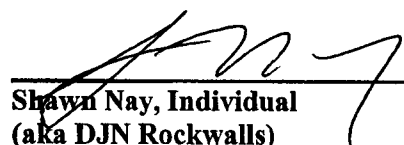
The below signed, acknowledge and accept these requirements and incorporate them into the Small Mine Reclamation Contract.

ACCEPTED BY:



John R. Baza, Director
Division of Oil, Gas and Mining

12/8/2006
Date



Shawn Nay, Individual
(aka DJN Rockwalls)

10-13-06
Date

☒ **APPROVED**